

**EVANGELINE A.R.C. – RESPITE
PROGRAM OF VILLE PLATTE, INC.**

Ville Platte, Louisiana

Financial Report

Year Ended June 30, 2014

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KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Evangeline A.R.C. - Respite Program of Ville Platte, Inc.
Ville Platte, Louisiana

We have reviewed the accompanying statement of financial position of the Evangeline A.R.C. - Respite Program of Ville Platte, Inc., (a nonprofit organization) as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
September 22, 2014

FINANCIAL STATEMENTS

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Statement of Financial Position
June 30, 2014

ASSETS

Current assets:	
Cash	\$ 27,405
Revenue receivable	<u>29,577</u>
Total current assets	<u>56,982</u>
Property and equipment, net	<u>113,973</u>
Total assets	<u>\$ 170,955</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 11,867
Accrued payroll taxes	<u>4,681</u>
Total current liabilities	<u>16,548</u>
Net assets:	
Unrestricted	<u>154,407</u>
Total liabilities and net assets	<u>\$ 170,955</u>

See accompanying notes and independent accountants' report.

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Statement of Activities
Year Ended June 30, 2014

Support:	
OCDD reimbursement	\$ 31,154
Medical Assistance Program	252,362
Other income	<u>3,303</u>
Total support	<u>286,819</u>
Expenses:	
Functional expenses -	
Program services	285,474
Management and general	<u>62,460</u>
Total expenses	<u>347,934</u>
Decrease in unrestricted net assets	(61,115)
Net assets, beginning	<u>215,522</u>
Net assets, ending	<u>\$ 154,407</u>

See accompanying notes and independent accountants' report.

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Schedule of Functional Expenses
Year Ended June 30, 2014

	Program Services	Management and General	Total
Client entertainment	\$ 4,860	\$ -	\$ 4,860
Consulting fees	15,650	-	15,650
Equipment rental	-	6,664	6,664
Food	8,317	-	8,317
Insurance	13,449	-	13,449
Licenses and fees	-	800	800
Repairs and maintenance	3,500	-	3,500
Management fees	-	34,485	34,485
Miscellaneous	1,905	7,979	9,884
Payroll expenses	208,149	-	208,149
Professional services	-	4,100	4,100
Supplies-household	1,393	-	1,393
Supplies-office	-	3,050	3,050
Telephone	-	5,382	5,382
Training	328	-	328
Travel and transportation	5,156	-	5,156
Utilities	8,269	-	8,269
Total expenses before depreciation	<u>270,976</u>	<u>62,460</u>	<u>333,436</u>
Depreciation expense	<u>14,498</u>	<u>-</u>	<u>14,498</u>
Total expenses	<u>\$ 285,474</u>	<u>\$ 62,460</u>	<u>\$ 347,934</u>

See accompanying notes and independent accountants' report.

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Statement of Cash Flows
Year Ended June 30, 2014

Cash flows from operating activities:	
Decrease in unrestricted net assets	\$ (61,115)
Adjustments to reconcile decrease in unrestricted net assets to net cash provided by operating activities:	
Depreciation	14,498
Decrease in revenue receivable	2,229
Increase in accounts payable	1,025
Decrease in accrued liabilities	<u>(689)</u>
Net cash provided by operating activities	(44,052)
Cash flows from capital activities:	
Acquisition of capital assets	<u>(15,449)</u>
Net decrease in cash	(59,501)
Cash , beginning of period	<u>86,906</u>
Cash , end of period	<u>\$ 27,405</u>

See accompanying notes and independent accountants' report.

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Notes to the Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Evangeline A.R.C. - Respite Program of Ville Platte, Inc. is a non-profit corporation exempt from income tax under section 501(c) (3) of the Internal Revenue Code. The Organization was created on February 13, 1995 to offer temporary care for handicapped individuals. The priorities of service are to prevent institutionalization, reduce undue tensions or pressure, and offer assistance in crisis or emergency situations.

The Board of Directors of the corporation are elected by the members of the Organization, serve variable terms, and receive no compensation.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements of the Organization are presented on the accrual basis of accounting.

C. Income Taxes

Income taxes are not provided for in the financial statements since the Organization is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code and similar state provisions. The Organization is not classified as a private foundation.

D. Property and Equipment

Property and equipment are stated at cost. Depreciation is computed on a straight-line basis over the applicable recovery periods, which range from 5 to 40 years. The organization maintains a threshold level of \$5,000 or more for capitalizing furniture and equipment.

E. Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid and cannot be carried over from year to year. Any liability the Organization might have in this regard at June 30, 2014 is considered immaterial; therefore, no liability has been recorded in the accounts.

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Notes to Financial Statements (Continued)

F. Donations

There were no donated funds received for the year ended June 30, 2014.

G. Statement of Cash Flows

The Organization considers all highly liquid investments with maturity of three months or less at the date of acquisition to be cash equivalents.

H. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Property and Equipment

Property and equipment consisted of the following at June 30, 2014:

Furniture and Fixtures	\$ 15,690
Equipment	10,148
Building and Improvements	176,375
Vehicles	<u>88,421</u>
Total	290,634
Less: Accumulated depreciation	<u>(176,661)</u>
Net property and equipment	<u>\$ 113,973</u>

(3) Social Security System

Employees of the Organization are members of the Social Security System. The organization and its employees contribute a percentage of each employee's salary to the System. The organization's contribution during the year ended June 30, 2014 amounted to \$14,743.

(4) Litigation

There is no litigation pending against the Organization at June 30, 2014 in which the result would have a material adverse effect on the accompanying financial statements, and accordingly, no provision for losses has been recorded.

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Notes to Financial Statements (Continued)

(5) Third-Party Reimbursements

The Organization receives Medicaid reimbursements (Louisiana Medical Assistance Program) for center-based respite and in-home respite personal care attendant services. Medicaid reimbursements consisted of 88% of the Organization's total revenue for the year ended June 30, 2014.

(6) Risk Management

The Organization is exposed to risks of loss in the areas of general liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(7) Subsequent Event Review

The Organization's management has evaluated subsequent events through September 22, 2014, the date which the financial statements were available to be issued.

COMPLIANCE

EVANGELINE A.R.C. - RESPITE PROGRAM OF VILLE PLATTE, INC.
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Findings
and Corrective Action Plan
Year Ended June 30, 2014

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (6/30/14) --						
<u>Internal Control:</u>						
2014-001 (IC)	Unknown	Due to the small number of employees, the organization did not have adequate segregation of functions within the accounting system.	No	Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	Gary Ortego, Director	N/A
2014-002 (IC)	Unknown	The entity does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The entity has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the entity to outsource this task to its independent accountants, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Gary Ortego, Director	N/A
<u>Compliance:</u>						
There were no compliance findings noted.						
PRIOR YEAR (6/30/13) --						
<u>Internal Control:</u>						
2013-001 (IC)	Unknown	Due to the small number of employees, the organization did not have adequate segregation of functions within the accounting system.	No	Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	Gary Ortego, Director	N/A
2013-002 (IC)	Unknown	The entity does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The entity has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the entity to outsource this task to its independent accountants, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Gary Ortego, Director	N/A
<u>Compliance:</u>						
There were no compliance findings noted.						

OTHER SUPPLEMENTARY INFORMATION

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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Directors
Evangeline A.R.C. - Respite Program of Ville Platte, Inc.
Ville Platte, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Evangeline A.R.C. – Respite Program of Ville Platte, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Evangeline A.R.C. – Respite Program of Ville Platte, Inc.'s compliance with certain laws and regulations during the year ended June 30, 2014 included in the accompanying *Louisiana Attestation Questionnaire*. Management of Evangeline A.R.C. – Respite Program of Ville Platte is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Medical Assistance Program - \$252,362; OCDD - \$31,154

2. For each federal, state, and local award, randomly selected six disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, trace the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, determine if the six disbursements were properly coded to the correct fund and general ledger account.

The six disbursements were properly coded to the correct general ledger account.

5. For the items selected in procedure 2, determine whether the six disbursements received approval from proper authorities.

Each of the six disbursements were approved by the appropriate person.

6. For the items selected in procedure 2: For federal awards, determine whether the disbursements complied with the applicable specific program compliance requirements summarized in the Compliance Supplement (or contained in the grant agreement, if the program is not included in the Compliance Supplement) and for state and local awards, determine whether the disbursements comply with the grant agreement, relating to activities allowed or unallowed, eligibility, and reporting.

All of the disbursements were allowable.

7. For the programs selected for testing in Procedure (2) that had been closed out during the period under review, we compare the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

There were no programs closed out during the period.

Open Meetings

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

Evangeline ARC – Respite Program of Ville Platte Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of the Agency's office building. The Evangeline A.R.C – Respite Program of Ville Platte, Inc. did post notice of each meeting.

Budget

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Due to the nature of the funds received through the Medical Assistance Program and OCDD, there is no annual contract or budget available.

Prior Comments and Recommendations

10. Review any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

All prior year findings have been reviewed. See summary schedule of current and prior year findings and corrective action plan on page 11.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Evangeline A.R.C. – Respite Program of Ville Platte, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
September 22, 2014

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

12/17/14

Kolder, Champagne, Slaven & Company, LLC

Certified Public Accountants

P.O. Box 588

Ville Platte, La 70586

In connection with your review of our financial statements as of **June 30, 2014** and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of **12/17/14**

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lla/nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Yes ☒ No ☐

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Diana B. Blevins Secretary 12/17/14 Date

N/A Treasurer _____ Date

Harvey Simon President 12/17/14 Date